

Guidelines for Force Account Title X Projects

**First Edition
April 1975**



**U.S. DEPARTMENT OF COMMERCE
Economic Development Administration**


Guidelines for Force Account Title X Projects

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April 1975**

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Economic Development Administration
Office of Public Works**

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AN EXPLANATION

The purpose of these requirements is to set forth the criteria for approving and managing force account work as part of an EDA financially assisted Public Works project.

Force Account is defined as the practice of accomplishing a project by the use of personnel who are employees of the Grantee/Borrower normally using materials and equipment furnished by the Grantee/Borrower, as distinguished from accomplishing the work through an independent contractor. For the purpose of the Public Works Impact Program, the definition is qualified to mean accomplishment of a project primarily by use of personnel from the impact area temporarily employed by the Grantee/Borrower for the Title X project.

Section I

Pre-Approval Considerations

1. Initial Determination

An initial determination of whether force account may be used shall normally be made by the EDA Regional Director at the time an application is authorized. The nature of the construction, the source of the plans and specifications, the expertise of the applicant will be considered in making this determination, and will be subject to review when the application is received.

2. Purpose

The nature of the work, the work force available and the project must be such that use of force account can be expected to provide greater utilization of the applicant's capabilities to construct an acceptable facility at a cost comparable to that of the private sector.

3. Authorizing Resolution

The Applicant must furnish an authorizing resolution of its governing body or by such other representative as EDA may approve together with the following assurances as part of the application. The assurance shall state that the Applicant guarantees successful and timely completion of the project to the satisfaction of EDA, and will promptly pay all amounts due. The assurance must further state that the Applicant agrees to complete construction for an amount not to exceed the approved construction line item plus such other change orders as are approved by EDA.

4. Need for Competent Supervision

The Applicant must have the capability to furnish competent supervision, recruiting, timekeeping and similar administrative routines.

5. The Project Coordinator

Detailed arrangements satisfactory to the Regional Director shall be made to designate an individual either by name or manner of selection to serve as Project Coordinator with functions, responsibilities and authority as indicated herein and/or as prescribed additionally by EDA in writing. The salary of the Project Coordinator, in an amount agreed to by EDA, shall be an eligible project cost, reimbursable on the same basis as other eligible project costs.

6. The Applicant's Construction Plan

The Applicant will be required to submit a plan of action which will include as a minimum; assurance that required materials and equipment are immediately available, composition of the planned workforce showing job classification and a recruitment plan for newly employed personnel. Exhibit A-2, or a substitute acceptable to EDA should be used for this purpose.

7. Overtime

EDA will not normally participate in overtime costs, unless such overtime is clearly a necessary feature for doing a specific job related to the project and/or the overtime is essential to meet some emergency facet of the project. For example, overtime related to work for shutting down a section of street or a portion of a utility which could not normally be done during normal working hours would fit into the category of essential and necessary.

8. Wages

The Applicant should understand that wages paid to newly hired workers for "in-house" positions which were both classified and for which an "in-house" wage rate has been established prior to the application for the approved project was accepted by EDA will be paid at the same rate as for the Applicant's own in-house force. Where in-house wage rates and job classification were not in force prior to the date the application for the approved project was accepted by EDA, newly hired workers will be paid the prevailing wage rate for comparable work in the area. Any new job categories and wage rates established for those categories which are put into effect after the date the application is officially accepted by EDA and intended to be used for the project should be consistent with the regular rates paid for similar work in other activities of the State or local government and must have prior approval of EDA.

Section II

Pre-Construction Procedures

1. Applicability

These procedures and requirements apply only to approved Title X Public Works Projects that are to be constructed in whole or in part by the Grantee/Borrower's own employees or newly hired workers on a force account basis. If any segment of the project is to be constructed by contract, the Grantee/Borrower, the contractor and sub-contractors must comply with the latest edition of the EDA Requirements for Approved Projects, for the portion of the project to be constructed by contract. Any deviations from these procedures must have written EDA approval.

2. Checklist

A checklist of requirements (Exhibit A) will assist the Grantee/Borrower to comply with these EDA procedures.

3. Architect/Engineer Agreement and Services

- A. Reimbursement to the Grantee/Borrower for design services by an Architect/Engineer will be based on prevailing rates (as determined by EDA) for such services in the applicable area. To assist EDA in this determination the Grantee/Borrower must furnish to EDA a copy of the design contract and a detailed billing from the Architect/Engineer to the Grantee/Borrower.
- B. If the Grantee/Borrower elected to have the design accomplished by his own in-house forces reimbursement will be subject to EDA review of a statement from the Grantee/Borrower listing the services so performed with proper substantiation of the cost. Reimbursement will be accordance with the Federal Office of Management and Budget Circular A-87.
- C. Any reimbursement for inspection and/or surveillance by an Architect/Engineer to assure compliance with plans, specifications and all Federal, State and local requirements will be subject to prior approval by EDA of the agreement between the Grantee/Borrower and the Architect/Engineer for such services.
- D. The Grantee/Borrower must provide for the following services by a method acceptable to EDA:
 - (1) Providing sufficient plans, specifications and other documents required for the construction of the project.

- (2) Preparing shop drawings when and if required.
- (3) Submitting a monthly report to the EDA Regional Office covering the general progress of the job and describing any problems or factors contributing to delay.

4. Grantee/Borrower Furnished Equipment and/or Materials:

The Grantee/Borrower may wish to incorporate into the project equipment and/or materials which he will secure through his own efforts. It is the responsibility of the Grantee/Borrower to insure that such equipment and/or materials is adequate for the proposed use. The use of such equipment and materials must be approved by the EDA Regional Office. The Grantee/Borrower must be prepared to show that the cost of such equipment and/or materials is competitive with the local market. The purchase of all materials and supplies must be approved by EDA prior to reimbursement of such costs by EDA. Approval of such purchases shall be obtained by submitting the following to the EDA project manager in the Regional Office:

- A. One copy of procurement specification or material listing.
- B. Written proposals from three suppliers for all materials costing over \$200 for a single category of materials.
(for miscellaneous items costing less than \$200.00 only one written proposal need be submitted.)
- C. Copy of paid invoice for materials received.

5. Machinery and/or Equipment

The Grantee/Borrower is responsible for maintaining records on all machinery and/or equipment purchased or rented with EDA assistance to assure that accountability is maintained. All such machinery and/or equipment must be used only for the purpose originally intended or have EDA approval of any alternative use. If the machinery and/or equipment is used for any purpose not authorized by EDA, EDA may request reimbursement of all or a part of the Federal participation in the original cost.

6. Certification of Acquisition of Land and Rights-of-Way, Easements, etc.:

Prior to start of construction the Grantee/Borrower must furnish evidence that all land, right-of-way, permits, franchises and easements necessary for the completion of the project have been secured. The attorney for the Grantee/Borrower will prepare and sign Form ED-152. The Architect/Engineer will sign this form. The Grantee/Borrower will forward a copy of the ED-152 to EDA's Regional Office. The Grantee/Borrower must be prepared to justify that the amount and costs of land, rights-of-way and easements is reasonable. EDA may require title opinions or independent appraisals, if necessary.

7. Relocation Assistance:

Where the approved project involves any land, rights-of-way, easements and the like, the Grantee/Borrower must comply with Public Law 91-646, Uniform Relocation Assistance and Land Acquisition Policies Act of 1970. The Regional Office Relocation Officer will provide assistance to the Grantee/Borrower in meeting its obligations under the Act. The Grantee/Borrower shall provide a complete Form ED-168 (Exhibit A-3).

8. Covenants for Projects Assisting Industrial Parks:

The Special Conditions on some grant or loan agreements for projects dealing with industrial parks require that the Grantee/Borrower submit to EDA a covenant (see Exhibit "D"). In this covenant, it is agreed that for a period of two years the Grantee/Borrower will obtain from all proposed occupants Certificates of Non-Relocation and Assurances of Compliance with Civil Rights Act of 1964 prior to executing a sales or lease agreement. Forms for this purpose may be secured from the EDA Regional Office.

9. Safeguarding Funds:

- A. As soon as possible after acceptance of the Grant (and Loan, if applicable) Offer, a separate bank account should be established for the Project Account to handle all receipts and disbursements connected with each approved project. Both Grantee/Borrower and EDA funds will be deposited in the same account. The Project Account must be held with a bank which is a member of the Federal Deposit Insurance Corporation, or, if legally required, with the fiscal agency of the Grantee/Borrower fixed by law. Funds in the Project Account may be expended only for approved project line item costs.
- B. Checks drawn against the Project Account must be signed by the authorized representative of the Grantee/Borrower and countersigned by the Project Coordinator as herein before provided.
- C. The Grantee/Borrower must keep all bank statements, deposit slips, cancelled checks and related invoices pertaining to the Project Account in order to facilitate final audit.
- D. The Grantee/Borrower must submit proof that each of the officials or employees handling project funds has been bonded at all times in accordance with the Standard Terms and Conditions which are a part of the Loan and/or Grant Offer.

- E. If one of the 50 states is the Grantee/Borrower, a separate bank account will not be required. However, all project funds will be accounted for in a separate account.
- F. The Grantee/Borrower will submit to the EDA Regional Office two copies of the Depository Bank Acceptance and Confirmation, Form ED-1004 (Exhibit "E").
- G. A copy of the monthly bank statement for the Project Account will be submitted to the EDA Regional Office by the seventh day of the following month.

10. Project Cost Limitations:

- A. The tabulation of estimated project costs approved by EDA is the controlling budget for the project. It is the responsibility of the Grantee/Borrower to keep costs within the individual line items in the cost estimate approved by the Economic Development Administration. No transfer of funds between line items may be made and no line item exceeded without written EDA approval.
- B. A proposal for a change in any line item in the approved financing must be submitted to the EDA Regional Office with a statement fully explaining the reasons and justification for the proposed change. The proposal must include:
 - (1) The Grantee/Borrower's recommendation for changes to other line items to keep the total cost within the approved project cost; or
 - (2) Proof of the Grantee/Borrower's ability to provide the additional funds needed; or
 - (3) The Architect/Engineer's plan to redesign to reduce the cost to or below the approved cost.

- C. If the Grantee/Borrower intends to finance an overrun with his own funds, he will furnish a written letter or statement to the EDA Regional Office affirming his intention to finance the overrun. If such funds are to be borrowed, an appropriate supplemental financial plan must be prepared by the Grantee/Borrower. Upon receipt of the Grantee/Borrower's letter or statement, and after completion of any supplemental financial plan that may be necessary, the Regional Office, will, if it so determines, transmit a letter to the Grantee/Borrower confirming the understanding that the Grantee/Borrower can and will furnish additional funds to finance the overrun.
- D. Before the Regional Office can accept a request for additional EDA funds, it will be necessary for the Grantee/Borrower to furnish a written statement from the authorized representative or governing body of the Grantee/Borrower that the Grantee/Borrower cannot reasonably furnish the additional funds required. If the overrun is due to construction costs the Grantee/Borrower must furnish a written statement from the Architect/Engineer giving his professional opinion that redesign of the project within the approved scope or using new or additional deductive alternates cannot reasonably be expected to reduce the cost to within the available funds.

11. Insurance:

Table 1 reflects the type and amount of insurance the Grantee/Borrower must carry for force account work.

The Grantee/Borrower shall not commence work until he has obtained all the insurance required under this paragraph and such insurance has been approved by EDA.

- A. Compensation Insurance: The Grantee/Borrower shall procure and maintain during construction of the project Workmen's Compensation Insurance as required by applicable State or territorial law for all of his employees to be engaged in work at the site of the project.

In case any class of employees engaged in hazardous work on the project is not protected under the Workmen's Compensation Statute, the Grantee/Borrower shall provide adequate employer's liability insurance for the protection of such of his employees as are not otherwise protected.

- B. Grantee/Borrower's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Grantee/Borrower shall procure and maintain during the construction of the project, Public Liability Insurance and Automobile Liability Insurance in amounts as shown in Table 1 which follows.
- C. Builder's Risk Insurance (Fire and Extended Coverage): The Grantee/Borrower shall procure and shall maintain during the life of this project Builder's Risk Insurance (Fire and Extended Coverage) on a 100 percent (100%) completed value basis on the insurable portion when applicable.
- D. Scope of Insurance and Special Hazards: The insurance required herein shall provide adequate protection for the Grantee/Borrower against damage claims which may arise from operations on this project whether such operations be by the insured or by anyone directly or indirectly employed by him on the project. The Grantee/Borrower shall be named as the Insured.
- E. Proof of Carriage of Insurance: The Grantee/Borrower shall furnish EDA with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of policies.

TABLE 1

MINIMUM INSURANCE

TYPE	AMOUNT	REMARKS
	<u>I N S U R A N C E</u>	
Workmen's Compensation	As per State law	
Public Liability	\$200,000 Bodily Injury to Any One Person \$500,000 Any One Occurrence	Possibly \$500,000 single limit
Property Damage	\$100,000 Any One Occurrence \$200,000 aggregate	
Employee's Liability	As per State law	For those employees in hazardous occupations not covered by Workmen's Compensation
Builder's Risk	100% of Completed Value Based on Insurable Portion	
Vehicular Liability	\$100,000 Any One Person \$200,000 Any One Occurrence	

12. Flood Insurance

If the project is located in special flood hazard area as designated by HUD, EDA cannot fund the project unless the community has been declared eligible for flood insurance. If insurance is required the Grantee/Borrower is advised to place the policy into effect at the time of initial exposure; failure to satisfy this requirement will prohibit any EDA disbursement on the project. A copy of the flood insurance policy will be submitted to EDA prior to disbursement of any funds.

Section III

Construction

1. Project Coordinator:

- A. It is required that a full time Project Coordinator who is satisfactory to EDA must be employed by the Grantee/Borrower. The Project Coordinator will function as Inspector, Timekeeper, Material Checker, Clerk, Co-signer of checks and Historian of the project. The Project Coordinator's authority will not extend to supervision of the project or of the workers engaged on the project. He will also be responsible to EDA for the following:
- (1) Maintain a time book for all personnel and for all equipment used on and charged to the project. He will record the actual time worked based upon actual, physical observations made as required to insure accuracy.
 - (2) Maintain a log of material delivered and installed or expended each day.
 - (3) Check the daily log against daily log reports submitted by job foremen, resolve discrepancies and establish validity of items in question. He will verify and initial all approved time and work reports. Where an item charge is found to be ineligible, a revised time and work report shall be prepared with the ineligible item deleted.
 - (4) A weekly tabulation of charges to the project shall be prepared from the Project Coordinator's records, checked against the Grantee/Borrower's itemized billings, discrepancies noted, and submitted to the EDA Project Manager within seven days.
 - (5) Co-sign all checks drawn on the Construction Account, if any.
 - (6) Provide incidental information as requested by EDA during the course of the project.
- B. If specifically requested by the Grantee/Borrower and approved by EDA, the Architect/Engineer's Resident Engineer may also fill the position of Project Coordinator.
- C. If the Grantee/Borrower is a non-governmental unit, the Project Coordinator may not be a member, or related to a member of the governing body of the Grantee/Borrower.

2. Construction Superintendent:

A. The Grantee/Borrower shall select and employ a fully qualified Construction Superintendent who shall devote full time to the project and who shall be responsible for:

- (1) Procurement of all materials, tools and supplies.
- (2) Over-all scheduling of the work.
- (3) Supervision of all labor either directly or through his foremen.
- (4) Maintaining costs within original approved construction budget.
- (5) Renting tools, equipment and other plant needed for construction activities.

B. A resume of the Construction Superintendent's qualifications shall be submitted to the EDA Regional Office for review and must be approved by EDA prior to the start of construction.

3. Job Offices:

The Grantee/Borrower must provide suitable and adequate office space on or near the project site for the use of Project Coordinator, Construction Superintendent, Resident Engineer and such other professional staff as may be directly employed on the project. Adequate toilet facilities shall be provided for all employees.

4. Approval to Start Work:

No construction should commence on the project until written approval to commence such construction is given by EDA. Any work done prior to EDA approval of start of work is at the Grantee/Borrower's risk and may not be reimbursed by EDA until such approval is given.

5. Eligibility of In-House Labor Costs:

A. The wages paid to regular or permanent employees of the Grantee/Borrower will be eligible for reimbursement at the grant rate from grant funds only if such employees satisfy these conditions:

- (1) Assigned full time to the project for periods of not less than two weeks duration, and

- (2) Serves in a supervisory or professional capacity such as Construction Superintendent, Project Coordinator, Foreman, Engineer, Surveyor, Inspector, or Procurement Officer, or
 - (3) EDA has approved the employee's wage rate as appropriate for the project position being filled.
- B. The wages paid to all new employees used on the project will be eligible for reimbursement from grant funds at the grant rate provided the employees are used only on this project. The Grantee/Borrower will be reimbursed at the grant rate for the actual wages paid and for the actual cost of industrial accident insurance, unemployment compensation contributions, social security contributions, health and welfare benefits, pension fund benefits and other related costs.

6. Payrolls:

- A. The Grantee/Borrower may use Form ED-110, Weekly Payroll Form, Exhibit "Y" or a substitute approved by EDA which will contain the same information as the Form ED-110. On the reverse side of the Weekly Payroll Form there are instructions for payroll preparation. Copies of this form will be provided by the EDA Regional Office.
- B. Form ED-162, Statement of Compliance and the certificate on the back side of Form ED-110 are not applicable to Grantee/Borrower's force account work and may be ignored by the Grantee/Borrower.
- C. Weekly payrolls for the Grantee/Borrower and any contractors are to be mailed by the Project Coordinator to the EDA Regional Office not later than the third day following the end of the pay period.
- D. Hours and wages of supervisory and clerical personnel, whose salaries are eligible project costs, will also be recorded on Form ED-110.
- E. The following certificate shall be attached to each payroll covering the Grantee's direct employees and will be signed by the Project Coordinator:

"I certify that all hours recorded on this payroll were expended solely for the furtherance of the EDA project, and that the wages shown are true."

Project Coordinator

- F. The Grantee/Borrower is required to retain copies of Weekly Payrolls for a period of three years from the date of completion of the project. The Grantee/Borrower is also required to furnish a copy of each payroll to the EDA Regional Office.
- G. The work week is hereby established for the sake of uniformity as extending from midnight Saturday to 11:59 p.m. the following Saturday.

7. Eligibility of Costs of Materials, Supplies and Equipment Rental:

- A. Materials - For all materials actually used in the work, except such as are to be furnished and paid for under rental rates applicable in connection with the use of equipment as hereinafter provided, the Grantee/Borrower shall be reimbursed at the grant rate for the actual cost thereof to the purchaser, from the supplier, including transportation costs to the job site, subject to the following conditions:
 - (1) If a cash or trade discount is offered or is available to the purchaser, it shall be credited to the Grantee/Borrower notwithstanding the fact that such discount may not have been taken.
 - (2) If materials are procured other than by direct purchase from, and direct billing by, the supplier, the cost thereof shall be deemed to be the price paid to the actual supplier, less discount, as determined by the Project Coordinator and approved by EDA. No markup other than actual handling costs will be permitted.
 - (3) If materials are obtained from a supply or source wholly or partly owned by the Grantee/Borrower, the cost thereof shall not exceed the price paid by the purchaser for similar materials furnished from said source on contract items, or the current wholesale price for such materials delivered to the job site, whichever is lower. It will be the responsibility of the Grantee/Borrower to furnish sufficient evidence to EDA so that a determination as to reasonableness of cost can be made.
 - (4) If the cost of materials, in the opinion of the Project Architect/Engineer, or EDA is excessive, then the eligible cost of such materials shall be deemed to be the lowest current wholesale price at which such materials are available in the quantities concerned, delivered at the job site, less discounts offered or available.

8. Construction Equipment:

- (A) The Grantee/Borrower will be reimbursed at the grant rate for the use of equipment at the rental rates applicable to, and established for, such equipment by EDA, regardless of ownership and any rental or other agreement, if such may exist, for the use of such equipment entered into by the Grantee/Borrower. The rental rates specified in the Grantee/Borrower's "Request to Perform Construction Work on a Force Account Basis" (Exhibit A-2), will normally be applicable unless EDA disapproves the suggested rates. The rental rates paid as above provided shall include the cost of fuel, oil, lubrication, supplies, small tools, necessary attachments, repairs, and maintenance of any kind, depreciation, storage, insurance and all incidentals. Operators of rental equipment will be paid as direct employees unless EDA approves a rental arrangement whereby the rental rate includes the operator furnish by the lessor.
- (B) All equipment must, in the opinion of the Project Architect/Engineer and EDA, be in good working condition suitable for the purpose for which the equipment is to be used.
- (C) Unless otherwise specified, manufacturer's ratings and manufacturer approved modifications shall be used to classify equipment for the determination of applicable rental rates. Equipment which has no direct power unit shall be powered by a unit of at least the minimum rating recommended by the manufacturer.
- (D) Individual pieces of equipment or tools having a replacement value of \$25 or less, whether or not consumed by use, shall be considered to be small tools and no payment will be made therefor.
- (E) Rental time will not be allowed while equipment is inoperative due to breakdowns.
- (F) The rental time to be paid for equipment on the work shall be the time the equipment is in operation on the work being performed. The following shall be used in computing the rental time of equipment on the work, unless the Grantee/Borrower can show evidence satisfactory to EDA that a conflicting method is normal practice in the project area:
 - (1) When hourly rates are listed, less than 30 minutes of operation shall be considered to be 1/2 hour of operation.
 - (2) When daily rates are listed, less than four hours of operation shall be considered to be 1/2 day of operation.

- (3) The rental period shall begin at the time the equipment is unloaded at the job site, shall include each day that the equipment is at the site, excluding Saturdays, Sundays and legal holidays unless the equipment is used to perform extra work on such days, and shall terminate at the end of the day on which the Project Architect/Engineer or EDA directs the Grantee/Borrower to discontinue the use of such equipment.

9. Submission of Reports:

The Grantee/Borrower's Project Coordinator shall prepare and submit the following reports to EDA's Regional Office:

- A. "Project Coordinator's Daily Report" is to be prepared daily and submitted in weekly batches at the beginning of the following week.
- B. "Project Coordinator's Monthly Summary" report is to be submitted not later than the 10th of the following month.

10. Change Orders:

- A. After the start of construction, it may be necessary to alter the work. This requires a change order. All change orders must be concurred in by the EDA Regional Office, even if the Grantee/Borrower pays for all additional costs resulting from the changes. Work under a change order may be initiated prior to EDA concurrence, but such work will be at the Grantee/Borrower's risk as to whether this will be an eligible project cost for grant purposes.
- B. Proposed change orders will be prepared by the Grantee/Borrower or his Architect/Engineer in an original and four copies on Form ED-114 (Exhibit "Z"). Necessary supporting statements, estimates, specifications, and plans will be attached. Before submission to the EDA Regional Office for concurrence, the change order will be signed by the Architect/Engineer and the Grantee/Borrower. Two copies will be furnished to the EDA Regional Office. Subsequently, the Grantee/Borrower will be notified of EDA concurrence if the change order is acceptable.
- C. With its concurrence, EDA will furnish a ruling as to whether the cost of the change order can be considered an authorized project cost.
- D. Following EDA approval, the Grantee/Borrower will retain the original copy of the change order and send one copy to the Architect/Engineer.

11. Inspection of Construction:

Under its agreement with the Government, the Grantee/Borrower must provide inspection of project construction. The Grantee/Borrower should understand that visits by the EDA Project Manager are in no way a substitute for inspections by the Grantee/Borrower and his Architect/Engineer. If the EDA Project Manager visits the site it will be to:

- (1) Ascertain whether the project is being built in accordance with the terms of the Grant/Loan Agreement.
- (2) Evaluate the adequacy of the inspection being provided by the Grantee/Borrower pursuant to the terms of its agreement with the Government.
- (3) Assist with problems, when applicable.

12. Inspection and Testing of Materials:

- A. All materials and equipment used in the construction of the project shall be subject to adequate inspection and testing in accordance with accepted standards. The laboratory or inspection agency shall be selected by the Grantee/Borrower. The Grantee/Borrower will pay for all laboratory inspection service direct.
- B. Materials of construction, particularly those upon which the strength and durability of the structure may depend, shall be subject to inspection and testing to establish conformance with specifications and suitability for intended usage.

13. Safety and Health Regulations:

- A. In order to protect the lives and health of his employees on the project, the Grantee/Borrower shall comply with all pertinent provisions of the Contract Work Hours and Safety Standards Act as pertains to health and safety standards; and shall maintain an accurate record of all cases of death, occupational disease, and injury requiring medical attention or causing loss of time from work, arising out of and in the course of employment on work on the project.
- B. The Grantee/Borrower alone shall be responsible for the safety, efficiency, and adequacy of his plant, appliances, and methods, and for any damage which may result from their failure or their improper construction, maintenance, or operation.

C. The Grantee/Borrower shall undertake:

1. To take every precaution against injuries to persons or damage to property;
2. to store his apparatus, materials, supplies and equipment in such orderly fashion at the site of the work as will not unduly interfere with the progress of his work or the work of any other contractors;
3. to place upon the work or any part thereof only such loads as are consistent with the safety of that portion of the work;
4. to clean up frequently all refuse, rubbish, scrap materials, and debris to the end that at all times the site of the work shall present a neat, orderly and workmanlike appearance;
5. before final inspection to remove all surplus material, falsework, temporary structures, including foundations thereof, plant of any description and debris of every nature resulting from his operations, and to put the site in a neat, orderly condition.

14. Correction of Work:

All work, all materials, whether incorporated in the work or not, all processes of manufacture, and all methods of construction shall be at all times and places subject to the inspection of the Architect/Engineer who shall be the final judge of the quality and suitability of the work, materials, processes of manufacture, and methods of construction for the purposes for which they are used. Should they fail to meet his approval they shall be forthwith reconstructed, made good, replaced and/or corrected, as the case may be.

15. Protection of Work and Property:

The Construction Superintendent shall at all times safely guard the Grantee/Borrower's property from injury or loss in connection with this work. He shall at all times safely guard and protect his own work, and that of adjacent property, from damage.

In case of any emergency which threatens loss or injury of property, and/or safety of life, the Construction Superintendent will be allowed to act, without previous instructions from the Architect/Engineer, in a diligent manner. He shall notify the Architect/Engineer immediately thereafter.

Where the Construction Superintendent has not taken action but has notified the Architect/Engineer of an emergency threatening injury to persons or damage to the work or any adjoining property, he shall act as instructed or authorized by the Architect/Engineer.

16. Weather Conditions:

In the event of temporary suspension of work, or during inclement weather, or whenever the Architect/Engineer shall direct, the Construction Superintendent will protect carefully his work and materials against damage. Materials damaged or injured by failure on the part of the Construction Superintendent to so protect his work, shall be removed and replaced at the sole expense of the Grantee/Borrower.

17. Signs:

The Grantee/Borrower will erect and maintain in good condition, a project sign furnished by the EDA identifying the project and indicating that the Government is participating in the development of the project.

18. Occupancy Prior to Completion:

A. If the project or any part of it is to be used or occupied prior to its acceptance by EDA, the Grantee/Borrower must first:

- (1) Secure written consent of EDA.
- (2) Secure endorsement from the insurance carrier and consent of the surety permitting occupancy of the building or use of the project during the remaining period of construction.
- (3) Obtain permanent fire and extended coverage insurance, including a permit to complete construction, when the project consists of more than one building and one of the buildings is occupied and/or secured. Consent of the surety also must be obtained, when necessary.

19. Accounting Records:

- A. General Requirements. Separate records for each grant/loan will be maintained in a manner consistent with generally accepted accounting practice in order to safeguard the assets, insure internal control and provide accurate and reliable accounting data.
- B. Retention Period. Records must be preserved for three years after completion of the grant program and be readily available for inspection and audit by the Federal Government or its designee.

20. Disbursement of Project Account Funds:

- A. No payments may be made from the Project Account except for approved project costs.
- B. The Grantee/Borrower shall pay (2) for all transportation and utility services not later than the 20th day of the calendar month following that in which services are rendered, (b) for all materials, tools, and other expendable equipment to the extent of 90% of the cost thereof, not later than the 20th day of the calendar month following that in which such materials, tools, and equipment were delivered at the site of the project, and the balance of the cost thereof not later than the 20th day following the completion of that part of the work or on which such materials, tools, and equipment are incorporated or used.

21. Disbursement of Grant Funds by EDA:

A. Initial Disbursement

The Grantee/Borrower may apply to the EDA Regional Office for a partial grant disbursement of 50% of the total EDA grant after construction has begun - Form ED 113. Outlay Report and Request for Reimbursement for Construction Programs will be used for this purpose.

B. Second Disbursement

At any time after the work called for in the Grant/Loan Agreement has been at least 40% completed the Grantee/Borrower may apply for a partial grant disbursement of an additional 40% of the total EDA grant. Form ED-113 will be used for this purpose.

C. Final Disbursement

After the final project audit has been completed and approved by the Federal Government, the Grantee/Borrower may apply for a final grant disbursement which will bring the total grant disbursed up to the total amount of the EDA grant or up to EDA's proportionate share of the final project cost whichever is less.

22. Financial Reporting Requirements:

- A. For advances made before September 30, 1975 the first report will be due on October 15, 1975. The report will be due quarterly thereafter on projects where the total EDA grant is less than one million dollars. Where the EDA grant is in excess of one million dollars the report will be due monthly.
- B. For the purpose of this section "advanced" is defined to mean disbursed by EDA in advance of sufficient eligible costs being incurred by the Grantee/Borrower to justify the disbursement on the basis of EDA's percentage of incurred costs.

C. The financial reporting requirement described above will end when the final project audit is approved by EDA.

23. Inspection for Final Acceptance:

The final inspection will be scheduled by the Grantee/Borrower as soon as possible after the Architect/Engineer has accomplished his final inspections and cleared up all deficiency lists. It is important that the project be complete and functional before final inspection is performed. The inspection date should be coordinated with the EDA Regional Office

Section IV

Post Construction

1. Audits:

The Grantee/Borrower will be required to arrange for an audit of project cost and the submission of a report thereon to EDA before final disbursement of the grant/loan is made.

The project cost audit may be made by an independent public accountant or, under certain conditions, by a state or local government audit organization. In some cases, the project cost audit will be made by Department of Commerce auditors. In such event, the Grantee/Borrower will be notified in advance and will not be required to arrange for an audit.

A. Audit by an Independent Public Accountant

If other audit arrangements are not approved by EDA, the Grantee/Borrower will be required to arrange for an independent public accountant to conduct the project cost audit in accordance with EDA audit instructions and requirements (Exhibit "CC").

The term "Independent Public Account" as used herein means an independent certified public accountant or independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The work "independent" is used in the same sense as prescribed by the American Institute of Certified Public Accountants in Rule 1.01 or Article 1 of the Code of Professional Ethics, as amended March 4, 1965.

Not later than two months before the estimated date of project completion the Grantee/Borrower will select an independent public accountant and obtain a proposal from him for conducting an audit of project costs. When requesting a proposal for the audit, the Grantee/Borrower should furnish the accountant copies of:

- (1) the grant/loan agreement and all amendments thereto,
- (2) the most recently revised project cost estimate, and
- (3) EDA audit instructions and requirements (Exhibit "CC"), which by references will be made a part of the contract for audit services.

The accountant's proposal should show:

- (1) that he can start the audit on or about the estimated project completion date,
- (2) that he will comply with EDA audit instructions and requirements,
- (3) his rates and method of billing,
- (4) his estimate of the number of calendar days that will be required to make the audit, and
- (5) the maximum cost for the audit.

The proposal should also contain a certification by the accountant that he is an independent public accountant as defined herein.

The Accountant's proposal shall be submitted to the EDA Regional Office, for approval. EDA will notify the Grantee/Borrower as to whether the proposal is acceptable. If the proposal is acceptable, the Grantee/Borrower will enter into a contract with the accountant for the audit. EDA audit instructions and requirements shall, by reference, be made a part of the contract. If the proposal is not acceptable, the Grantee/Borrower will be required to obtain a proposal from an accountant acceptable to EDA.

B. Audit by a State or Local Government Audit Organization

The project cost audit may be made by a state or local government audit organization if the Grantee/Borrower requests such an arrangement and it is approved by EDA.

Generally, the use of a state or local government audit organization will be approved by EDA, if the Grantee/Borrower submits evidence showing that the state or local government audit organization which he proposes to use:

- (1) In the course of its normal operations, is required to audit the Grantee/Borrower's activities.
- (2) It not under the Grantee/Borrower's direction or control.
- (3) Can undertake the audit on or about the estimated project completion date.
- (4) Will agree to comply with EDA audit instructions and requirements (Exhibit "CC").

(5) Will not charge for the audit unless state law so requires.

EDA will notify the Grantee/Borrower as to whether his request to use a state or local audit organization for the project cost audit is acceptable. If the proposal is not acceptable to EDA, the Grantee/Borrower will be required to arrange for the services of an independent public accountant with the procedure outlined above.

C. Notification to Proceed with the Audit

After final inspection of the project, the Grantee/Borrower will notify the independent public accountant or the state or local audit organization, as appropriate, to proceed with the audit.

D. Audit Report

EDA Instructions for Audits of Public Works and Development Facility Grant and/or Loan Projects (Exhibit "CC") specify the number of copies that the auditor will submit to the Grantee/Borrower, Office of Audits, and the EDA Regional Office.

If the audit was made by an independent public accountant, he shall submit to EDA, with the audit report, a copy of his invoice to the Grantee/Borrower covering his services.

EDA will notify the Grantee/Borrower as to whether the audit report is acceptable. If it is not acceptable, EDA will advise the auditor, through the Grantee/Borrower, of the additional information or changes needed to make the report acceptable.

The Grantee/Borrower should not pay the independent public accountant's invoice until he is notified that the audit report is acceptable to EDA.

E. Cost of Audit

The expense incurred for the audit will be included in project cost.

2. As-Built Drawings:

After completion of the final inspection, the Architect/Engineer will prepare "as-built" drawings and furnish the originals to the Grantee/Borrower and one copy to the EDA Regional Office. These drawings will be furnished prior to the final disbursement.

3. Final Payment:

The disbursement of the 10% retainage to the applicant will be processed after audit is approved by EDA.

4. Warranty Inspection:

Prior to expiration of the warranty period, the Grantee/Borrower will have cause to make an inspection of the complete construction and determine deficiencies, if any, to be corrected by the equipment supplier under terms of the general guaranty provided by the supplier. The Grantee/Borrower is required to submit results of this warranty inspection and action taken, if required, to correct deficiencies to EDA.

5. Loan Management:

Where a loan is involved, active loan management by EDA will often extend beyond the warranty period. See Exhibit "F" for details.

EXHIBITS

Economic Development Administration

CHECK LIST OF REQUIREMENTS FOR TITLE X FORCE ACCOUNT PROJECTS

1. Planning Conference attended.
Attended _____
2. Submit Request to Perform Construction Work, Exhibit A-2 to EDA for approval.
Submitted _____
3. Submit Architect/Engineer contract to EDA for approval.
Submitted _____
Approved _____
4. Submit Form ED-151, Architect/Engineer's Certificate, to EDA.
Submitted _____
5. If project involves storm sewer, sanitary sewer, or waste disposal facilities, secure certificate of adequacy of treatment from Environmental Protection Agency.
Secured _____
Copy furnished to EDA _____
6. Notify EDA of date of satisfying each of the Special Conditions to the Offer of Loan and/or Grant.
EDA Notified _____
7. Furnish EDA with certification that all land, rights-of-way, and easements necessary for the project have been secured.
Form ED-152 submitted to EDA _____
Form ED-168 submitted to EDA _____
8. Furnish EDA with Financial Plan including cash flow projection.
Submitted _____
EDA Approval _____
9. Establish project bank account. Submit Form ED-1004 Depository Bank Acceptance and Confirmation Statement.
Submitted to EDA _____
10. Submit evidence of bonding of fund custodian.
Submitted to EDA _____

Exhibit "A"

11. Submit resume of proposed Construction Superintendent to EDA for approval.
Submitted to EDA _____
Approved by EDA _____
12. Submit resume of proposed Project Coordinator to EDA for approval.
Submitted to EDA _____
Approved by EDA _____
13. Submit proposed wage scale to EDA for approval.
Submitted to EDA _____
Approved by EDA _____
14. Submit material procurement specifications and listings with copies of proposals received to EDA for approval.
Submitted to EDA _____
Approved by EDA _____
15. Obtain and set up job office facility for supervisory personnel
Accomplished _____
16. Obtain and erect sanitary facilities to serve all project employees.
Accomplished _____
17. Upon receipt of letter from EDA authorizing start-of-construction, proceed to get construction under way.
Letter received _____
Construction started _____
18. A request for partial disbursement, 50% of EDA grant funds, can be made as soon as construction has started.
Submitted Form ED-113 _____
19. Submit to EDA for approval the initial Construction Progress Chart and the Schedule of Amounts for Contract Payments.
Submitted _____
Approved _____
20. Submit evidence that grantee is adequately covered by Workmen's Compensation Insurance, Public Liability Insurance, and other insurance. Submit certificates to EDA for approval.
Submitted _____
Approved _____
21. Submit to EDA evidence that the Grantee/Borrower is covered by Builder's Risk Insurance.
Submitted _____
Approved _____

22. Check that the project sign has been erected.

Checked _____

23. Repetitive actions during construction:

- A. The Architect/Engineer to review construction schedule and progress chart at least once each month.
- B. The Architect/Engineer to provide on-site inspection.
- C. The Architect/Engineer and Grantee/Borrower to certify for partial payments to any contractors.
- D. The Project Coordinator to furnish daily and monthly report to Grantee/Borrower and EDA on project progress.
- E. Submit weekly payroll records to EDA during following week.
- F. Accounting records must be maintained to permit audit. A copy of all project payrolls and records must be retained for 3 years following completion of construction.
- G. Disbursements from the Project Account to be in accordance with Section III Paragraph 6 of these Requirements.
- H. All construction change orders must have EDA approval before any work performed pursuant thereto can be reimbursed from EDA funds.
- I. Grantee/Borrower must show evidence that his proportionate share is on deposit before disbursement of EDA grant/loan funds can be made to the Construction Account.

24. If Grantee/Borrower desires occupancy of any portion of the project prior to final acceptance, he must:

- A. Secure endorsement of insurance carrier.

Requested _____

Received _____

Copy to EDA _____

Exhibit "A"

B. Secure consent of surety.
Requested _____
Received _____
Copy to EDA _____

C. Change insurance to permanent plan.
Requested _____
Received _____
Copy to EDA _____

25. Not later than two months before estimated date of project completion the Grantee/Borrower will secure proposal for independent audit.
Proposal Secured _____
EDA Approval Secured _____
Contract Signed _____
26. When Architect/Engineer notifies the Grantee/Borrower that the project is ready, the Grantee/Borrower will schedule a final acceptance inspection.
Notify Architect/Engineer _____
Notify EDA _____
27. When final inspection is complete and project has been accepted by the Grantee/Borrower and by EDA, the final audit may begin.
Audit Started _____
Audit Completed _____
3 copies of Report to EDA _____
EDA Approval of Audit _____
28. When final inspection is complete, Architect/Engineer will furnish "as-built" drawings to Grantee/Borrower and one copy to EDA.
29. When final audit has been approved, disbursement of 10 percent retainage may be requested from EDA.
Requested _____
Payment Received _____
30. Prior to expiration of warrantee the Grantee/Borrower will have his Architect/Engineer perform the Warranty Inspection. Submit results to EDA.

Exhibit "A"

REQUEST TO PERFORM CONSTRUCTION WORK

BY FORCE ACCOUNT

1. The _____ applicant for financial assistance under the EDA Title X Program, hereby requests permission to perform _____ % of the construction work by force account methods using its in-house employees and/or newly hired personnel recruited from the unemployed and underemployed persons residing in the designated area. The reasons for requesting performance of the work in this manner are as follows:

2. Attached hereto is a copy of a resolution duly passed by our governing body that guarantees that we will successfully complete the project in a timely manner to the satisfaction of EDA. We further resolve that we will promptly pay all amounts due and that we will either complete construction within the amount of the approved construction line item, plus such change orders as are approved by EDA, or that we will provide any additional funds needed to successfully complete the project in a timely manner.
3. The estimated costs of the proposed divisions of construction work are as follows:

A. Force Account

On-Site Labor	\$ _____	
On-Site Supervision	_____	
Materials	_____	
Equipment Rental	_____	
Other	_____	
Total		\$ _____

B. Construction by Contract

\$ _____

TOTAL CONSTRUCTION COST (A & B)

\$ _____

4. The applicant hereby assures EDA that all materials and equipment required for the construction of the project are immediately available. It is understood that any materials used on the project will be charged at the invoiced cost with no mark-up for purchasing overhead.
5. The applicant understands that EDA will require that a full time Project Coordinator, satisfactory to EDA, be hired. The Project Coordinator will function as Inspector, Timekeeper, Material Checker, Clerk, Co-signer of checks and Historian of the project. His authority will not, include supervision of the project or of the workers engaged on the project. He will be primarily responsible to EDA for the following.
 - a. Maintaining a time book for all personnel and for all equipment used on and charged to the project. Record the actual time worked based upon actual, physical observations made at varying intervals.
 - b. Maintain a log of material delivered and installed or expended each day.
 - c. Check the daily log against daily log reports submitted by job foreman and resolve discrepancies and establish validity of items in question.
 - (1) Verify and initial all approved time and work report.
 - (2) Disputed reports should be retained until the EDA Project Manager visits the site or matter is otherwise resolved by EDA. If an item charge is found to be ineligible, a revised time and work report shall be prepared, with the ineligible item deleted, and approved for payment.
 - (3) A weekly tabulation of charges to the project shall be prepared from the Project Coordinator's records, checked against the Grantee's itemized billings, discrepancies noted, and submitted to the EDA Project Engineer.
 - (4) Co-sign all checks drawn on the Construction Account, if any.
 - d. Provide incidental information as requested by EDA during the course of the project.

6. Attached is:

- (1) The resume and salary of the person proposed to act as Project Coordinator.
- (2) The recruitment plan for new employees.
- (3) The resume and salary of the person proposed to act as on-site construction inspector. The inspector's duties will be supervision of construction and workers in order that the project is built to conform to plans and specifications.

DATE: _____

SIGNATURE OF AUTHORIZED REPRESENTATIVE

TITLE

TYPEWRITTEN NAME

Exhibit "A-2"

ATTACHMENT NO. 1

ESTIMATED PERSONNEL TO BE USED ON PROJECT

1. In-House Employees (presently employed by applicant)

JOB CLASSIFICATION	NUMBER	TIME NEEDED	WAGE RATE

2. Temporary help to be employed for this project.

JOB CLASSIFICATION	NUMBER	TIME NEEDED	WAGE RATE

[illegible]

Exhibit "A-2"

ESTIMATED EQUIPMENT TO BE USED ON PROJECT

Exhibit "A-2"

FORM ED-114 (REV. 6-73)		U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION													
CONTRACT CHANGE ORDER		Date _____													
		Project No. _____													
		Location _____													
To (Contractor) _____		Contract No. _____													
		Change Order No. _____													
You are hereby requested to comply with the following changes from the contract plans and specifications:															
Item No. (1)	Description of changes - quantities, units, unit prices, change in completion schedule, etc. (2)	Decrease in contract price (3)	Increase in contract price (4)												
Change in contract price due to this Change Order: Total decrease _____ Total increase _____ Difference between Col. (3) and (4) _____ Net (increase) (decrease) contract price _____		\$ _____ XXXXXXXXXXXXXXXX \$ _____ \$ _____ \$ _____	XXXXXXXXXXXXXXXX \$ _____ \$ _____ \$ _____												
The sum of \$ _____ is hereby (added to) (deducted from) the total contract price, and the total adjusted contract price to date thereby is \$ _____.															
The time provided for completion in the contract is (unchanged) (increased) (decreased) by _____ calendar days. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.															
<table style="width: 100%;"> <tr> <td style="width: 60%;">Recommended by _____</td> <td style="width: 40%;">Date _____</td> </tr> <tr> <td style="text-align: center;">Architect/Engineer</td> <td></td> </tr> <tr> <td style="width: 60%;">Accepted by _____</td> <td style="width: 40%;">Date _____</td> </tr> <tr> <td style="text-align: center;">Contractor</td> <td></td> </tr> <tr> <td style="width: 60%;">Approved by _____</td> <td style="width: 40%;">Date _____</td> </tr> <tr> <td style="text-align: center;">Owner</td> <td></td> </tr> </table>				Recommended by _____	Date _____	Architect/Engineer		Accepted by _____	Date _____	Contractor		Approved by _____	Date _____	Owner	
Recommended by _____	Date _____														
Architect/Engineer															
Accepted by _____	Date _____														
Contractor															
Approved by _____	Date _____														
Owner															

Change Order No.

USCOMM-DC 30668-P73

CERTIFICATE AS TO PROJECT SITE, RIGHTS-OF-WAY, AND EASEMENTS

Part One
Certificate of Engineer

I, the undersigned Engineer, certify that I am familiar with the design of the

_____ being constructed by the
(Type of facility)
_____ as part of EDA
(Name of owner)

Project Number _____ and that all of such facilities will be constructed wholly within the land and rights-of-way hereinafter described and existing public streets and roads. I further certify that the land and rights-of-way being purchased as hereinafter described is sufficient but not in excess of actual needs for this project as planned and approved by the Owner.

1. Fee title will be required for the following property (Describe land including area of acres presently owned and to be acquired):

2. The following easements and rights-of-way (Describe by courses and distances or by name of Owner, including area in acres, however, omit existing public streets and roads):

3. The following railroad, highway or other permits (Describe location and name of permitter) will be required:

WITNESS MY HAND, this the _____ day of _____, 19 _____

Registered, Professional Engineer

Address

City State

(TO BE COMPLETED BY ARCHITECT/ENGINEER AND FORWARDED TO OWNER'S ATTORNEY)

Part Two
Title Opinion

I, _____, Attorney-at-Law,
representing _____
(hereinafter the "Owner") do hereby certify that:

1. I have examined the title to the site or sites, rights-of-way, and/or easements for the noted project. Such action being predicated on: *(check one)*

- ☐ The description furnished in Part One of this certificate; or
- ☐ The survey/site plan (strike out one) dated _____, prepared by _____, and approved by "DA".

2. By examination of the official ownership records, or an abstract thereof, of the property described herein for the period commencing _____ and ending _____, I find that the Owner has:

a. Acquired fee simple title to the following property: *

b. Obtained valid option(s) to purchase, or contracts of sale for, the following property in fee simple: *

3. Where easements or rights-of-way are involved and title to such have not actually been searched, I hereby certify that I have also examined the official ownership records, or an abstract thereof, for the purpose of ascertaining the correctness of: *(Check one or both as appropriate)*

- ☐ Where such property has been conveyed to the Owner, the name(s) of the grantor(s) of such property or properties;
- ☐ Where the Owner has obtained option(s) to acquire such property, the name(s) of the record Owner(s) thereof.

Such properties as are required by the project and are not otherwise covered by this paragraph have been or can be acquired by condemnation. This is to further certify that I have examined the instruments creating the aforesaid easements or rights-of-way and it is my opinion that said instruments are valid as to form and substance for the purposes intended.

4. The extent of said title examination is sufficient for the purpose of establishing the validity of the title to said property and for the purpose of determining outstanding restrictions, liens, encumbrances, and ownership interests pertaining thereto.

5. Based upon said title examination, I am of the opinion that title to the aforementioned property is good and merchantable and free and clear of all encumbrances except for: *

6. In the interest of processing Public Works Impact Program (PWIP) projects *only*, this form may be submitted within 60 days after the project has been approved and accepted by the applicant, but in no event later than advertising for construction, whichever is earlier, provided that in the interim the applicant furnishes a written statement that he has authority to condemn property covered by this opinion and will do so if necessary.

7. Remarks and explanations: *

Date

Attorney-at-Law

Address City State

*If none, write "None". Where appropriate, give legal description (in conformity with paragraph 1) or attach surveyor's plat or site plan (appropriately marked) or refer to appropriate portion of Part One, Certificate of Engineer.

(FORWARD TO THE REGIONAL OFFICE UPON COMPLETION)

STATEMENT OF COMPLIANCE

(See instructions on reverse side)

Date _____

I, _____, _____ do hereby state:
(Name of signatory party) (Title)

(1) That I pay or supervise the payment of the persons employed by _____ on
(Contractor or subcontractor)
the _____; that during the payroll period commencing on the _____ day of _____,
(Building or work)
19____ and ending the _____ day of _____, 19____, all persons employed on said project have been paid the full
weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said _____

_____ from the full weekly wages earned by any person and that no deductions have
(Contractor or subcontractor)
been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined
in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat.
948.63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete;
that the wage rates for laborers or mechanics (including apprentices and trainees) contained therein are not less than the appli-
cable wage rates contained in any wage determination incorporated into the contract, that the classifications set forth therein
for each laborer or mechanic (including apprentice and trainee) conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered individually under a bona fide apprenticeship pro-
gram registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States
Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and
Training, United States Department of Labor.

(4) That any trainees employed in the above period are bona fide trainees employed pursuant to a program approved by the
U.S. Department of Labor, Manpower Administration, Bureau of Apprenticeship and Training.

(5) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- ☐ In addition to the basic hourly wage rates paid to each laborer or mechanic, including apprentice and trainee,
listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be
made to appropriate programs for the benefit of such employees, except as noted in Section 5(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- ☐ Each laborer or mechanic (including apprentice and trainee) listed in the above referenced payroll has been paid
as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the
amount of the required fringe benefits as listed in the contract, except as noted in Section 5(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION
REMARKS	
TOTAL NUMBER OF EMPLOYEES EMPLOYED THIS REPORTING PERIOD	TOTAL NUMBER OF MANHOURS WORKED THIS REPORTING PERIOD
NAME AND TITLE	SIGNATURE
THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.	

INSTRUCTIONS FOR PREPARATION OF STATEMENT OF COMPLIANCE

This statement of compliance meets needs resulting from the amendment of the Davis-Bacon Act to include fringe benefits provisions. Under this amended law, the contractor is required to pay fringe benefits as predetermined by the Department of Labor, in addition to payment of the minimum rates. The contractor's obligation to pay fringe benefits may be met by payment of the fringes to the various plans, funds, or programs or by making these payments to the employees as cash in lieu of fringes.

The contractor should **show on the face of his payroll all monies paid to the employees** whether as basic rates or as cash in lieu of fringes. The contractor shall represent in the statement of compliance that **he is paying to others** fringes required by the contract and not paid as cash in lieu of fringes. Detailed instructions follow:

Contractors who pay all required fringe benefits:

A contractor who pays fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor shall continue to show on the face of his payroll the basic cash hourly rate and overtime rate paid to his employees, just as he has always done. Such a contractor shall check Paragraph 5(a) of the statement to indicate that he is also paying to approved plans, funds, or programs not less than the amount predetermined as fringe benefits for each craft. Any exception shall be noted in Paragraph 5(c).

Contractors who pay fringe benefits in cash:

A contractor who pays fringe benefits in cash shall pay to the employee and insert in the straight time hourly rate column of his payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the applicable wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringes, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on the basic or regular rate plus the required cash in lieu of fringes at the straight time rate. To simplify computation of overtime, it is suggested that the straight time basic rate and cash in lieu of fringes be separately stated in the hourly rate column, thus \$3.25/.40. In addition, the contractor shall check Paragraph 5(b) of the statement to indicate that he is paying fringe benefits in cash directly to his employees. Any exceptions shall be noted in Paragraph 5(c).

Use of Paragraph 5(c), Exceptions:

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the employees as cash in lieu of fringes. Any exceptions to Paragraph 5(a) or 5(b), whichever the contractor may check, shall be entered in Paragraph 5(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid the employees as cash in lieu of fringes, and the hourly amount paid to plans, funds, or programs as fringes.

Name of Applicant _____

City, County, State _____

Project Description _____

RELOCATION AND LAND ACQUISITION CERTIFICATE

To be completed by an applicant for financial assistance from the Economic Development Administration (EDA), which applicant is a "State agency" as defined by section 101(3) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) and section 310.2(a) of the regulations issued thereunder by EDA (38 Federal Register 2293, January 1, 1974). Part A and B must be completed. If the response to any question in Part A is in the affirmative, Parts C and D must be completed.

PART A. CERTIFICATION BY APPLICANT

Pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("Uniform Act") and the regulations issued thereunder by the Economic Development, _____,

an applicant for financial assistance from the Economic Development Administration, hereby certifies:

- | | | |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 1. Real property has been acquired with intent to use such property in connection with the EDA project. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 2. One or more interests in real property, including options, rights-of-way, or easements, have been acquired in connection with the above identified project since the effective date of the Uniform Act in this State. (The response should be affirmative only if the real property acquired was intended for this project.) (Indicate below the approximate date of such acquisition.) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 3. One or more interests in real property, including options, rights-of-way, or easements, will be acquired in connection with the above identified project. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 4. One or more persons, businesses, or farm operations have been displaced in connection with the above identified project since the effective date of the Uniform Act in this State. (Indicate below the approximate date of such displacement.) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 5. One or more persons, businesses, or farm operations will be displaced in connection with the above identified project. |

State the approximate date of acquisition and/or displacement mentioned in numbers 2 and 4 above: _____
Date

Date

Authorized Representative of Applicant

PART B. OPINION OF ATTORNEY

I, _____, attorney for the above named applicant, located in the State of _____, do hereby certify that the applicant is legally able to fully comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) ("Uniform Act") and regulations issued pursuant thereto by the Economic Development Administration in regard to the acquisition of real property and/or displacement of persons, businesses or farms indicated in Part A above, and that the applicant has been able to fully comply in regard to said acquisition and/or displacement since _____, the effective date of the Uniform Act in said State.

Date

Date

Attorney for Applicant

PART C. PRELIMINARY CERTIFICATION OF ARCHITECT/ENGINEER

I, the undersigned Architect/Engineer, certify that based on the preliminary or final design all the project facilities will be constructed wholly within the land and rights-of-way hereinafter described.

1. Fee title will be required for the following property. (Describe land including area of acres presently owned and to be acquired):

2. The following easements and rights-of-way. (Describe by courses and distances or by name of Owner, including area in acres; however, omit existing public streets and roads):

Date

Architect/Engineer

PART D. CALCULATION OF ESTIMATED RELOCATION AND LAND ACQUISITION EXPENSES

Complete Section I below if the response to questions 1,2 and/or 3 of Part A was in the affirmative. Complete Section II below if the response to questions 3 and/or 4 of Part A was in the affirmative. References below are to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646).

I. LAND ACQUISITION — ESTIMATES

Number of Land Transactions Involved _____
(including options, easements and rights-of-way)

Costs incidental to transfer of title:

Recording fees, transfer taxes, surveys, appraisals, title search and similar expenses—section 303(1)	\$ _____
Penalty costs—section 303(2)	_____
Real Property taxes—section 303(3)	_____
Litigation expenses—section 304(a)	_____
Total estimated costs incidental to transfer of title.	\$ _____*

II. RELOCATION — ESTIMATES

TENANTS — Estimates

Number of Claims _____

Moving Expenses

“Actual expenses”—section 202(a)(1)	_____
In lieu payments—section 202(b)	_____

TOTAL \$ _____

Replacement housing payments

Rental payments—section 204(1)	_____
Downpayment —section 204(2).	_____

TOTAL \$ _____

ESTIMATED TENANTS TOTAL \$ _____

OWNER-OCCUPANTS — Estimates

Number of Claims _____

Moving expenses

“Actual” expenses—section 202(a)(1)	_____
In lieu payments—section 202(b)	_____

TOTAL \$ _____

Replacement housing payments

Purchase payments—section 203(a)(1)	
Reasonable replacement costs—section 203(a)(1)(A)	_____

Increased interest costs—section 203(a)(1)(B)	_____
---	-------

Closing costs—section 203(a)(1)(C)	_____
--	-------

Rental payments—section 204(1).	_____
---	-------

Downpayment —section 204(2).	_____
--------------------------------------	-------

TOTAL \$ _____

ESTIMATED OWNER-OCCUPANTS TOTAL \$ _____

BUSINESS — Estimates

Number of Claims _____

Moving expenses

"Actual" expenses—section 202(a)(1) _____

"Actual" loss of tangible personal property—section 202(a)(2) _____

"Actual" searching expenses—section 202(a)(3). _____

In lieu payments—section 202(c) _____

ESTIMATED BUSINESS TOTAL \$ _____

NONPROFIT ORGANIZATIONS — Estimates

Number of Claims _____

Moving expenses

"Actual" expenses—section 202(a)(1) _____

"Actual" loss of tangible personal property—section 202(a)(2) _____

"Actual" searching expenses—section 202(a)(3). _____

In lieu payments—section 202(c) _____

ESTIMATED NONPROFIT ORGANIZATIONS TOTAL \$ _____

FARM OPERATIONS — Estimates

Number of Claims _____

Moving expenses

"Actual" expenses—section 202(a)(1) _____

"Actual" loss of tangible personal property—section 202(a)(2) _____

"Actual" searching expenses—section 202(a)(3) _____

In lieu payments—section 202(c) _____

ESTIMATED FARM OPERATIONS TOTAL \$ _____

TOTAL ESTIMATED MOVING EXPENSES AND REPLACEMENT HOUSING \$ _____ **

ADVISORY SERVICES — Estimates

Expenses of grantee/borrower—section 205 _____

ESTIMATED ADVISORY SERVICES TOTAL \$ _____ ***

ADMINISTRATION — Estimates

Contracting with individual, firm, association, or corporation—section 212 _____

Agreement with Federal or State governmental agency or instrumentality—
section 212 _____

ESTIMATED ADMINISTRATION TOTAL \$ _____ ****

* Include in cost of land, structures, and rights-of-way in line 3, section B, Part III of the Application, whenever applicable.
** Enter on line 9, section B, Part III of the Application, whenever applicable.
*** Enter on line 8, section B, Part III of the Application, whenever applicable.
**** Include in administration expense in line 1, section B, Part III of the Application, whenever applicable.

FORM ED-1004
(12-66)U.S. DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION**DEPOSITORY BANK ACCEPTANCE AND
CONFIRMATION STATEMENT**

Project No.

Project Title

Date

Name of Grantee/Borrower

I. We will accept from time to time, for deposit, monies of the Grantee/Borrower named above and the Economic Development Administration for defraying the cost of the project identified above and will at all times keep such monies in a separate account or accounts designated.

"

"

II. We wish to advise that as of the date of this Statement the Grantee/Borrower named above has deposited

\$ _____ into the above-named account or accounts.

III. This bank is a member of the Federal Deposit Insurance Corporation

IV. Only the following persons have been authorized to make disbursements from the account described above.

Corporate Name of Bank

Address

By

Signature of Authorized Officer

Date

Title of Officer

STATEMENT OF GRANTEE/BORROWER

I (We) understand that disbursements from the account described above may be made only for authorized costs of the project noted.

Authorized Representative of the Grantee/Borrower

Title

WEEKLY
PAYROLL

NAME AND ADDRESS OF EMPLOYER

NAME AND ADDRESS OF OWNER, LOCAL AUTHORITY, OR LPA

FEDERAL PROJECT NUMBER
NAME AND LOCATION

NAME OF PRIME CONTRACTOR

CONTRACT NUMBER

SUB-CONTRACT NUMBER

FOR PAY PERIOD ENDING

PAYROLL NUMBER ¹¹

TYPE OF WORK

(1)		(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF EMPLOYEE ^b		DATE ^c		TOTAL HOURS	RATE OF PAY ^d	GROSS AMOUNT EARNED ON THIS PROJECT ^e	GROSS AMOUNT EARNED ON ALL WORK ^f	WITHHOLDING EXEMPTIONS	DEDUCTIONS (ALL WORK)			NET AMOUNT PAID TO EMPLOYEE (EARNED ON ALL WORK) ^g
									FEDERAL WITH- HOLDING TAX ^g	ALL OTHER ^h	TOTAL DEDUCTED ^h	
OCCUPATION CLASSIFICATION ^b	RACE OR ETHNIC GROUP ⁱ	HOURS WORKED EACH DAY ON THIS PROJECT							FICA ^g			
Brought forward from Sheet _____ } Employees: _____												
1		0										
		\$										
2		0										
		\$										
3		0										
		\$										
4		0										
		\$										
5		0										
		\$										
6		0										
		\$										
7		0										
		\$										
8		0										
		\$										
9		0										
		\$										
10		0										
		\$										
Carried forward to Sheet _____ } Employees: _____												

GENERAL INSTRUCTIONS IN THE USE OF
FORM - EDA WEEKLY PAYROLL

The use of this form is not mandatory. This form has been made available for the convenience of contractors and subcontractors required by their Federal or federally aided construction-type contracts and subcontracts to submit weekly payrolls showing certain data and supported by required certificates.

Each weekly payroll must be accompanied by one properly executed Form ED-162, "STATEMENT OF COMPLIANCE".

Contractors may submit their own forms or this form, provided that all of the information required on both sides of this form is included. Also, contractors will meet requirements if they choose to complete the heading and grand totals (bottom line) on the front and all of the back of this form and attach a copy of their payroll containing the other required information. Payrolls submitted, whether on this form or on other forms, must clearly identify the hours worked and earnings therefor which are chargeable to the contract or subcontract for the Federal or federally aided project described in the heading of the form.

Footnotes from front of form:

^aNumber payrolls consecutively for each project, starting with No. 1 for first week worked.

^bAddress and Social Security number must be shown the first week employee worked on project. Address need not be shown on subsequent payrolls unless it is changed. Social Security number may subsequently be omitted unless needed to distinguish between employees with identical names. Below dotted line, list classification description of work employee actually performed on this project (i.e., project described in upper right of form). Consult classification and minimum wage schedule in contract specifications. If more classifications are necessary, contact other party to the contract. Employees may be shown as having worked in more than one classification by use of separate entries for hours so worked.

^cCOLUMN 2 (DATE AND DAILY HOURS). Under "Date," enter the seven dates comprising the payroll period. Then, for each employee, enter above the dotted line any overtime worked at overtime rates. Below the dotted line, enter the straight time worked.

^dCOLUMN 4 (RATE OF PAY). If overtime was worked, enter the rate above the dotted line. Below the dotted line, enter the straight time rate. Indicate rates other than hourly by: D (Day), W (Week), M (Month). If apprentice, enter also the wage rate step (1st, 2d, etc.).

^eCOLUMN 5 (GROSS AMOUNT EARNED ON THIS PROJECT). Enter the gross wages earned only for work on this project (project described in heading of form). This must equal the sum of the figures obtained after multiplying Column 3 by Column 4 entries for both overtime and straight time.

^fCOLUMN 6 (GROSS AMOUNT EARNED ON ALL WORK). Enter a single figure to include gross wages earned for work on this project and for any other work done for the employer during the pay period.

^gCOLUMNS 8, 9 (DEDUCTIONS). In Column 8, above dotted line, enter amount of Federal income tax withheld; below dotted line, enter amount of employee's Social Security contribution. In Column 9 enter amount of any other deductions made from employee's earnings. In both Columns 8 and 9, entries are to show actual deductions based on employee's gross earnings as stated in Column 6 (i.e., earned on all work, not just this project).

^hCOLUMN 10 (TOTAL DEDUCTED). This is the sum of the entries made in Columns 8 and 9.

ⁱCOLUMN 11 (NET AMOUNT PAID TO EMPLOYEE). This is the difference between Columns 6 and 10. It must equal the net amount actually received by the employee for all work performed during the pay period -- including any work which was not on the described project.

^jCOLUMN 1 (RACE OR ETHNIC GROUP DESIGNATION) Enter appropriate number representing each employee's race or ethnic group in box to right of his "occupation classification"; 1-Negro, 2-Spanish American, 3-Oriental, 4-American Indian, 5-Eskimo, 6-Aleut, 7-White (other than Spanish American).

Section 1001 of Title 18 of the United States Code (Criminal Code and Criminal Procedure) shall apply to such statements, as provided by 40 U.S.C. 276c. (18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.)

CERTIFICATE OF PRIME CONTRACTOR

To be completed only by prime contractor certifying to correctness of payroll submitted by subcontractor

I, _____, CERTIFY that the payroll identified in the foregoing Weekly Statement of Compliance has been examined by me and/or my authorized assistants and that based on such examination I find no evidence of violation of contract provisions relating to labor. I further certify that I am not on notice of any presently uncorrected labor provision noncompliance occurring during the period covered by this payroll.¹

Date _____ (Signature) _____

(Title) _____

¹In the event the person signing the certificate is on notice of noncompliance, substitute a comma for the period after "payroll" and add the words "except as follows:" and state what the alleged noncompliances are.

FORM ED-113 (REV. 2-73)		U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION		1. Federal Agency and Organizational Element	
OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS				2. Federal Grant Number or Other Identifying Number	
3. Type of Request <input type="checkbox"/> Final <input type="checkbox"/> Partial		4. Basis of Request <input type="checkbox"/> Cash <input type="checkbox"/> Accrued Expenditure		5. Partial Payment Request Number	
6. Employer Identification Number		7. Grantee/Borrower Account Number or Identifying Number		8. Period Covered (Month, Day, Year) FROM TO	
9. Name of Grantee/Borrower street number and name city state zip code				10. Name of Payee (If different than Item 9) street number and name city state zip code	
11. STATUS OF FUNDS					
CLASSIFICATION		PROGRAMS-FUNCTIONS-ACTIVITIES			
		(1)	(2)	(3)	TOTAL
a. Administrative expense		\$	\$	\$	\$
b. Preliminary expense					
c. Land, structures, rights-of-way					
d. Architectural engineering basic fees					
e. Other architectural engineering fees					
f. Project inspection fees					
g. Land development					
h. Relocation expense					
i. Relocation payments to individuals and businesses					
j. Demolition and removal					
k. Construction and project improvement cost					
l. Equipment					
m. Miscellaneous cost					
n. Total cumulative to date (Sum of Lines a-m)					
o. Deductions for program income					
p. Net cumulative to date (Line n minus Line o)					
q. Federal share to date					
r. Rehabilitation grants (100% reimbursement)					
s. Total Federal share (Sum of Lines q and r)					
t. Federal payments previously requested					
u. Amount requested for reimbursement		\$	\$	\$	\$
v. Percent of project completed		\$	\$	\$	\$
12. CERTIFICATION- I certify that to the best of my knowledge and belief the billed costs of disbursements are in accordance with the terms of the project and that the reimbursement represents the Federal share due which has not been previously requested and that an inspection has been performed and all work is in accordance with the terms of the grant.					
a. GRANTEE/BORROWER			b. STATE, LOCAL, OR FEDERAL GOVERNMENT REPRESENTATIVE		
Name			Name		
Title	Telephone No.		Title	Telephone No.	
Signature of Authorized Official	Date		Signature of Authorized Official	Date	

Is project phased? Yes _____ No _____ .

If so, date of approval _____ .

I have reviewed and find satisfactory the contract documents, related reports and records required of the Grantee by the Grant Agreement. All Special Conditions have been met and all contracts have been awarded. In my opinion, the Grantee has attested that the project can be constructed within the approved estimated cost thereof, and the actual project progress satisfactorily supports the requested payment. I therefore recommend approval of the requisition.

Date _____

By _____
(Project Management Officer or Project Engineer)

Date _____

By _____
(Chief, Technical Support Division)

I have reviewed this requisition and certain related documentary evidence. In my opinion, the legal conditions precedent to the clearance of this requisition have been fulfilled.

Date _____

By _____
(Regional Council)

(Not required to be executed for interim payments)

WASHINGTON OFFICE RECOMMENDATION

On the basis of the foregoing reviews and recommendations, I recommend approval of the requisition in the sum of \$ _____ .

Date _____

By _____
(Office of Public Works, EDA)

INSTRUCTIONS FOR PREPARING THE OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS

(TEAR OFF BEFORE SUBMITTING)

Item 1. Enter name of the Federal grantor agency and organizational element to which the report is submitted.

Item 2. Enter the grant number or other identifying number assigned by the Federal grantor agency.

Item 3. Mark the appropriate box. If the request is final, the amounts billed should represent the final cost of the project.

Item 4. Show whether amounts are computed on an accrued expenditure or cash disbursement basis.

Item 5. Enter the partial payment request number.

Item 6. Enter the employer identification number assigned by the U.S. Internal Revenue Service.

Item 7. This space is reserved for an account number or other identifying number which may be assigned by the grantee/borrower.

Item 8. Enter the month, day, and year for the beginning and ending of the period for which this report is prepared.

Item 9. Enter the name and complete mailing address including ZIP Code for the grantee/borrower.

Item 10. Enter the name and complete mailing address including the ZIP Code where the check should be sent, if the payee is different than the grantee/borrower shown in Item 9.

PLEASE READ BEFORE COMPLETING ITEM 11. The purpose of vertical columns (1) through (3) is to provide space for separate cost breakdowns when a large project has been planned and budgeted by program, function and activity. If additional columns are needed, use as many additional forms as needed and mark "continuation" on each form; however, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page.

Item 11. STATUS OF FUNDS—All amounts are reported on a cumulative basis.

Line a. Enter amounts expended for such items as travel, legal fees, rental of vehicles and any other administrative expenses. Include the amount of interest expense when authorized by program legislation. Also show the amount of interest expense on a separate sheet.

Line b. Enter amounts pertaining to the work of locating and designing, making surveys and maps, sinking test holes, and all other work required prior to actual construction.

Line c. Enter all amounts directly associated with the acquisition of land, existing structures and related rights-of-way.

Line d. Enter basic fees for services of architectural engineers.

Line e. Enter other architectural services. Do not include any amounts shown on Line d.

Line f. Enter inspection and audit fees of construction and related programs.

Line g. Enter all amounts associated with the development of land where the primary purpose of the grant is land improvement. The amount pertaining to land development normally associated with major construction should be excluded from this category and entered on Line k.

Line h. Enter the dollar amounts used to provide relocation advisory assistance and net costs of replacement for replacement housing (last report). Do not include amounts needed for relocation administrative expense; these amounts should be included in amounts shown on line a.

Line i. Enter the amount of relocation payments made by the grantee/borrower to displace persons, farms, business concerns, and nonprofit organizations.

Line j. Enter gross salaries and wages of employees of the grantee/borrower and payments to third party contractors directly engaged in performing demolition or removal of structures from developed land. All proceeds from the sale of salvage or the removal of structures should be credited to this account; thereby reflecting net amounts if required by the grantor agency.

Line k. Enter those amounts associated with the actual construction of, addition to, or restoration of a facility. Also include in this category the amounts for project improvements such as sewers, streets, landscaping, and lighting.

Line l. Enter amounts for all equipment, both fixed and movable, exclusive of equipment used for construction. For example, permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.

Line m. Enter the amounts for all items not specifically mentioned above.

Line n. Enter the *total cumulative* amount to date which should be the sum of Lines a through m.

Line o. Enter the total amount of program income applied to the grant except income included on Line j. Identify on a separate sheet of paper the sources and types of the income.

Line p. Enter the net cumulative amount to date which should be the amount shown on Line n *minus* the amount on Line o.

Line q. Enter the Federal share of the amount shown on Line p.

Line r. Enter the amount of rehabilitation grant payments made to individuals when program legislation provides 100 percent payment by the Federal grantor agency.

Line s. Enter the total of Lines q and r.

Line t. Enter the total amount of Federal payments previously paid, if this form is used for requesting reimbursement.

Line u. Enter the amount now being requested for reimbursement. This amount should be the difference between the amounts shown on Lines s and t. If different, explain on a separate sheet.

Line v. Show the percentage of the physical completion of the project.

Item 12. CERTIFICATION

a. GRANTEE/BORROWER. Enter the name, title, telephone number, and signature of the grantee/borrower official who is responsible for the operation of the program. The date should be the actual date the form is submitted to the Federal grantor agency.

b. STATE, LOCAL, OR FEDERAL GOVERNMENT REPRESENTATIVE. Enter the name, title, telephone number, and signature of the Government representative who is certifying to the percent of project completion. This representative may be a professional architectural engineer under contract to the State, local, or Federal government or he may be a qualified State, local, or Federal government employee. Not required for EDA use.

c. The certifications on the reverse side of this form are for EDA use only.

Equal New Jobs for your community

in partnership with the

U.S. DEPARTMENT OF COMMERCE & Economic Development Administration

ADDENDUM NUMBER ONE
TO
GUIDELINES FOR FORCE ACCOUNT TITLE X PROJECTS
First Edition, April 1975

The following additions, deletions and corrections should be made to the Guidelines for Force Account Title X Projects, First Edition dated April 1975:

1. On page 1, Paragraph 3: Add the following:

One copy of the authorizing resolution will be sent to the EDA Regional Office and one copy will be sent to:

Project Management Division
Economic Development Administration
Room 7898 - Main Commerce Building
14th & E Streets, N. W.
Washington, D. C. 20230

2. On page 3, Paragraph 1: On the seventh line the booklet titled "Requirements for Approved Projects" should be changed to read, "Guidelines for Title X Projects, First Edition, dated April 1975.
3. On page 4, Paragraph 4: The two sentences beginning on the eighth line with, "The purchase of all materials..." should be revised to read:

The purchase of all materials and supplies are at the Grantee/Borrower's risk pending on EDA determination of their eligibility for EDA financial participation. To assist EDA in making this determination the following should be submitted to the EDA Regional Office:

4. On page 6, Paragraph 9G: Delete this paragraph.
5. On page 9: Add the following Paragraphs:

13. Financial Management

- A. The Grantee/Borrower's financial management system shall provide for:
 - (1) Accurate, current and complete disclosure of the financial results of the EDA assisted project.

- (2) Records which identify adequately the source and applicability of funds for the EDA assisted project. These records shall contain information pertaining to the EDA grant, EDA loan if applicable, obligations, unobligated balances, assets, liabilities, outlay and income.
- (3) Effective control over and accountability for all funds, property, and other assets. Grantee/Borrower's shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
- (4) Procedures for determining the allowability and allocability of costs in accordance with the provisions of Federal Management Circular 74-4.
- (5) Accounting records which are supported by source documentation.
- (6) Comparison of actual with budget amounts for each grant. Also, relation of financial information with performance or productivity data, including the production of unit cost information whenever appropriate and required by EDA.
- (7) Audits to be made by the Grantee/Borrower or at his direction to determine, at a minimum, the fiscal integrity of financial transactions and reports, and the compliance with laws, regulations, and administrative requirements. The Grantee/Borrower will schedule such audits with reasonable frequency, usually annually, but not less frequently than once every two years, considering the nature, size, and complexity of the activity. A final project audit will be required at the time of closing out the project.
- (8) A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

14. Program Income

- A. All program income earned during the grant period shall be retained by the Grantee/Borrower and shall be:

- (1) Added to funds committed to the project by the grantor and Grantee/Borrower and be used to further eligible program objectives, or
- (2) Deducted from the total project costs for the purpose of determining the net costs on which the Federal share of costs will be based.

B. Program income represents earnings by the Grantee/Borrower realized from the grant supported activities. Such earnings exclude interest income and may include, but will not be limited to, income from service fees, sale of commodities, usage on rental fees, sale of assets purchased with grant funds, and royalties on patents and copyrights. Program income can be reported on a cash or accrued income basis.

Reporting of Program Performance

- A. Federal Management Circular 74-7 requires Grantees to constantly monitor project progress to assure that time schedules are being met, project work units by time periods are being accomplished, and other performance goals are being achieved. This review shall be made for each program, function, or activity for each grant as set forth in the approved grant application.
- B. Grantees shall submit a performance report each month after project approval date for each grant which briefly presents the following for each program, function, or activity involved:
 - (1) A comparison of actual accomplishments to the goals established for the period. Where the output of grant programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
 - (2) Reasons for slippage in those cases where established goals were not met.
 - (3) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.
 - (4) Problems, delays, or adverse conditions which will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any Federal assistance needed to resolve the situation.

- (5) Favorable developments or events which enable meeting time schedules and goals sooner than anticipated or producing more work units than originally projected.
- (6) If any performance review conducted by the Grantee discloses the need for change in the budget estimates, the Grantee shall submit a request for budget revision.

16. Financial Plan

Prior to advertising for bids, the Grantee/Borrower must provide to the Regional Office, a firm plan and schedule for financing the project. This plan must clearly show the source and availability of funds necessary to complete the project and expected monthly flow of project funds.

- 6, On page 12, Paragraph 2: Add a paragraph C to read:

On small projects the jobs of Project Coordinator and Construction Superintendent may be combined and one person do both. On large jobs there may be a need for a Construction Inspector in addition to the Project Coordinator and Construction Superintendent. In either case the EDA Regional Office should be consulted. Use of a separate Construction Inspector will be at the risk of the Grantee/Borrower pending a determination by EDA of whether the cost will be eligible for EDA financial participation.

- 7. On page 12, Paragraph 5A(1): The last word should be "or" not "and"
- 8. On page 13, Paragraph 5A(2): The last word should be "and" not "or".
- 9. On page 13, Paragraph 5A(3): The first line should read:

EDA approves the employee's wage rate as appro-.
- 10. On page 14, Paragraph 6F: Revise the last sentence to read:

The Grantee/Borrower will be required to furnish a copy of each payroll to the EDA Regional Office as a precondition for requesting the final grant disbursement.
- 11. On page 16, Paragraph 9: Delete paragraph A. Renumber paragraph B as paragraph A.

12. On page 16, Paragraph 10:

- A. Revise paragraph A by retaining the first two sentences. Substitute the following for the remainder of this paragraph:

Work accomplished under a change order will be at the Grantee/Borrower's risk pending a determination by the EDA Regional Office of the eligibility of the cost incurred for EDA financial participation. Any change order which changes the scope, economic impact, or intent of the project should have EDA approval before commencing work on the change order to avoid incurring costs which will be later disapproved by EDA. In an extreme case, it could result in an EDA determination that the entire project no longer meets the original intent and the result would be for EDA to recover all EDA funds disbursed.

- B. Revise paragraph B to read:

Proposed change orders will be prepared by the Grantee/Borrower or his Architect/Engineer in an original and not less than four copies. EDA Form ED-114 (Exhibit A-3) or an acceptable substitute may be used. Necessary supporting statements, estimates, specifications and plans will be attached. The change order must be signed by the Architect/Engineer and the Grantee/Borrower two copies with all attachments will be furnished to the EDA Regional Office for a determination as to eligibility for EDA financial participation.

- C. Delete paragraph C.

- D. The Grantee/Borrower should retain the original of the Change Order for purposes of audit. One copy should go to the Architect/Engineer, and one copy should go to the Architect/Engineer.

13. On page 19, Paragraph 16: The second word on the fourth line should be "damaged" not "damages".

14. On page 20, Paragraph 20B: The first line should read:

The Grantee/Borrower shall pay: (a) for all transportation and utility

15. On page 20, Paragraph 21: Review to read:

21. Disbursement Procedures

- A. EDA disbursements are designed to minimize the time elapsing between the disbursement by a Grantee/Borrower and the transfer of EDA funds to the Grantee/Borrower.
- B. The Grantee/Borrower is expected to furnish, not only his share of the project cost, but also sufficient funds to keep the project going prior to and between disbursements of EDA funds..
- C. Grant disbursements are made at each of the following times at the following percentages:
 - (1) When construction has started - 50%
 - (2) When project is at least 40% complete
 - (3) When project has been accepted by the Government and audit completed and approved - 10%
- D. Ten percent of grant funds is normally withheld until after EDA approval of the final audit.
- E. On those projects for which overrun funds have been approved, resulting in two project numbers (an example is 07-01-00044 and 07-01-00044.1), both numbers must appear on the Form ED-113, request for grant payment.
- F. In the event of an overrun, which is funded by the Grantee/Borrower, grant disbursements will be based on a revised grant rate that is equal to the EDA approved grant amount divided by the revised total project cost.
- G. In the event of an underrun, the grant rate will be unchanged, but the 90 percent maximum of EDA funds that can be disbursed prior to approval of the final audit must be calculated using a reduced grant which is equal to the revised total project cost times the approved grant rate.
- H. In those States where State sales, tax refunds, or exemptions are applicable, the final project cost eligible for EDA financial participation must reflect a reduction by the amount of the tax refund or exception for which the Grantee/Borrower is eligible, regardless of whether the Grantee/Borrower applies for or obtains the refund or exemption.

I. Unless otherwise required by law, published regulations, or these Guidelines, the Regional Office shall not normally withhold disbursements for eligible costs at any time during the grant period unless:

- (1) The Grantee/Borrower has failed to comply with the program objectives, grant award conditions, or EDA reporting requirements; or
- (2) The Grantee/Borrower is indebted to the United States and collection of the indebtedness will not impair accomplishment of the objectives of any grant program sponsored by the United States. Under such conditions, the Regional Office may, upon reasonable notice, inform the Grantee/Borrower that payments will not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal government is liquidated.

22. Initial Grant Disbursements

- A. All requests for grant disbursements will be submitted to the EDA Regional Office by the Grantee/Borrower on EDA Form ED-113.
- B. Prior to requesting the initial disbursement the Grantee/Borrower should review the actions to date to assure that:
 - (1) A copy of the Architect/Engineer contract has been furnished to the EDA Regional Office.
 - (2) An unconditional Section 103 certificate has been secured for projects involving sewer or waste disposal facilities.
 - (3) Insurance requirements have been met.
 - (4) Grantee/Borrower's financial plan has been furnished to the EDA Regional Office.
 - (5) All required land, rights-of-way, etc., have been acquired.

- (6) Relocation assistance has been rendered, if applicable.
- (7) Grantee/Borrower has submitted evidence of advertisement for bid in acceptable publications.
- (8) A copy of executed contract documents have been furnished to the EDA Regional Office.
- (9) The prime Contractor has submitted an executed Form ED-119 and a copy has been furnished to EDA.
- (10) Proposed contractor(s) have been checked against the listing of Contractors debarred, ineligible, suspended, or indebted to the United States.
- (11) Proposed sub-contractors have submitted an executed Form ED-120, and a copy has been furnished to the EDA Regional Office.
- (12) If the project is in an area covered by an OFCC imposed Civil Rights plan, the prime Contractor has completed the proper certificate of intent to comply with the plan.
- (13) U. S. Department of Labor wage determination has been incorporated in the contract.
- (14) Tabulation of bids, bid form of low bidder, certified minutes of bid opening have been submitted to EDA.
- (15) Resident engineer/inspector qualifications have been submitted to the EDA Regional Office.
- (16) Grantee/Borrower's funds are on hand or immediately available.
- (17) All problems concerning known or anticipated overruns have been resolved.
- (18) All Special Conditions to the Grant Agreement have been satisfied.

23. Interim Grant Disbursement

Prior to submitting request for grant disbursement at 40% of construction cost, the Grantee/Borrower should:

- (1) Insure that a completed Form ED-112, Exhibit AA, as of the effective date of the disbursement request has been submitted to EDA.
- (2) Require the Architect/Engineer to certify in writing that 40% of construction has been completed, and a copy has been furnished to the EDA Regional Office.
- (3) Withhold the required 10 percent from all constructors whose contracts have not had Grantee/Borrower's final acceptance. This should not be interpreted as requiring withholding of final payment to the Contractor until the final audit is approved.

24. Final Grant Disbursement

Prior to submitting a request for the final grant disbursement the Grantee must submit the following to the EDA Regional Office:

- (1) Two copies of the final audit report.
- (2) Final acceptance report signed by the project designer, the project coordinator if applicable, the project inspector and the Grantee.
- (3) A final project report showing:
 - (a) Total number of individuals employed.
 - (b) Total number of manhours worked.
 - (c) Of "a" the total number of individuals who were unemployed when hired to work on this project.
 - (d) Of "b" the total number of manhours worked by the previously unemployed.
 - (e) Number of no-work days "down time".
 - (f) Final labor cost.

- (4) All quarterly financial reports then due or overdue.
- (5) All monthly project progress reports then due to overdue.
- (6) Whatever supporting evidence the Regional Office feels is necessary to make determinations of eligibility for EDA reimbursement on questionable items.

16. On page 20, Paragraph 22: Renumber this paragraph to 25.

17. On page 21, Paragraph 23: Relabel as paragraph 26 existing paragraph as A, and add a paragraph B to read:

- B. An EDA representative may or may not attend the final inspection. In any event, the Grantee/Borrower must furnish to the EDA Regional Office a final inspection report which will contain as a minimum a statement signed by the Architect/Engineer that the project has been accomplished in accordance with the plans and specifications and a statement from the Grantee/Borrower that it has accepted the project from the Contractor.

18. On pages 23, 24 and 25, Paragraph 1, Audits:

All references to "EDA audit instructions and requirements (Exhibit "CC") should be changed to "Department of Commerce Instructions for Audit of Public Works and Development Facility Grant and/or Loan Projects, as amended for Title X projects".

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